



**You must read the following information and sign the declaration.**

### **Putting forward a personal insolvency agreement proposal**

The controlling trustee you appoint will:

- take control of your property
- put your proposal for a personal insolvency agreement to your creditors
- make enquiries into your affairs
- make a recommendation to creditors as to whether it is in their interest to accept your proposal
- charge a fee for undertaking this work.

If the controlling trustee has any connection with you, they must also disclose this to creditors. You must also disclose any relationship between you and any of your creditors.

The controlling trustee will hold a meeting of your creditors within 25 working days of their appointment (30 working days if appointed in December). Notice of the meeting is given to each of your creditors and published on AFSA's website ([www.afsa.gov.au](http://www.afsa.gov.au)). You must attend the meeting unless excused by the trustee. The creditors may ask you questions before deciding how to vote.

If you do not attend the meeting, a creditor can use that fact to apply to a Court to make you bankrupt. At the meeting, your creditors will consider your proposal and decide by special resolution (a 'yes' vote from a majority of creditors present and voting who represent at least 75% of the dollar value of the debts) whether to accept or reject it.

A creditor can use the fact that the controlling trustee has called a meeting of your creditors to apply to a Court to make you bankrupt but they cannot apply to the Court before the creditors vote on your proposal.

### **What happens if your proposal is accepted? What happens if your proposal is rejected?**

The creditors will vote to appoint a trustee who will administer your personal insolvency agreement. The trustee may be different to the controlling trustee. The trustee of your personal insolvency agreement must be a registered trustee or the Official Trustee (AFSA).

The trustee of your personal insolvency agreement will charge a fee to administer the agreement.

You and your trustee must sign the agreement within 21 days of the special resolution being passed. If you do not sign the personal insolvency agreement, a creditor can use that fact to apply to a Court to make you bankrupt.

You must assist the trustee and do everything you have promised to do according to the terms of the personal insolvency agreement.

If the proposal is rejected, creditors may vote in favour of you becoming bankrupt. If you do not comply with the creditors' vote, a creditor can use that fact to apply to a Court to make you bankrupt.

### **Terminating or setting aside a personal insolvency agreement (PIA)**

A Court can set aside an agreement if it finds that the agreement is unreasonable, does not comply with the Bankruptcy Act or Regulations, or was based on false or misleading information.

Your personal insolvency agreement can be terminated:

- by creditors if you fail to comply with its terms, or
- if something happens that is specified in the personal insolvency agreement as being a reason for terminating it, or
- by a Court in certain circumstances (for example if there is a likely injustice or delay to creditors).

If your personal insolvency agreement is terminated or set aside, a creditor can use that fact to apply to a Court to make you bankrupt.

You can get more information about your alternatives, sources of financial guidance and set limits/indexed amounts by contacting AFSA on 1300 364 785 or at [www.afsa.gov.au](http://www.afsa.gov.au).



## Fee Payment

Cheque

Charge my account

Credit card – AFSA will contact you within three business days to obtain your credit card details over the phone.  
Please provide contact details below.

Contact to call for credit card details – Name

Contact number

Signature of the controlling trustee

Date (DD/MM/YYYY)

Signature of the controlling trustee

Date (DD/MM/YYYY)